

Daimler Trucks & Buses strategy 2030

Our goals and strategy are determined by the company’s purpose, which defines our obligation to our customers and to society at large. We’re working for “everyone that’s moving the world.” Together with our customers, we contribute to prosperity and growth.

In view of the fact that our environment is currently undergoing a profound change, we have decided to further enhance the strategy of Daimler Trucks & Buses.

Add value for customers

Customers have top priority. People will only choose our products and services if we create added value for our customers and if our products and new technologies enable them to make money, improve their processes or boost their productivity. In this respect, it’s crucial that we know exactly what our customers’ needs are and that we develop products that are tailored to these requirements. The new model series of Western Star offers a current example of how this works in practice. The new truck for the vocational segment – i.e. commercial vehicles for construction and special applications – enables us to not only boost our customers’ productivity but also to lower their operating costs.

Lead globally

For us, global leadership is not an end in itself. We need to have a global presence in order to exploit economies of scale and to enable more cost-efficient development. Our high development expenditures on new technologies in areas such as electric drive systems, autonomous driving and digitalization can only be kept as low as possible per vehicle if we develop our innovations on the basis of universal platforms and utilize them in as many markets and vehicles as possible. By maintaining a global presence we make these new technologies available to customers faster and in a more tried and tested manner. Finally, our global setup enables us to more easily offset regional market cycles.

Grow services

In order to increase our profitability on a lasting basis, we intend to exploit the potential of our service business in a more targeted manner. To this end, we are expanding our existing range of aftersales products and creating new services. One example of this is the introduction of 3D printing for spare parts at Daimler Buses.

To supplement this traditional portfolio of services, we will establish other services based on software and digitalization. The aim here is to generate real added value for our customers, to enable them to operate our trucks and buses more efficiently, and to cut their total transport costs. We are already achieving this today with digital services such as Fleetboard, Mercedes-Benz Uptime, Detroit Connect and TruckConnect at Daimler Trucks, as well as with digital services on the Omnicplus ON platform at Daimler Buses. Our new Connectivity Services Group is now working on developing promising services for trucks and buses along our customers’ value chains.

Differentiate by technologies

We want to set ourselves apart with technologies that generate real added value for our customers and society at large. As a result, we began early on to focus on ways to reduce the diesel consumption of our commercial vehicles. We have repeatedly developed innovations for this purpose in order to differentiate us from the competition.

Looking ahead, we can state that we are committed to the Paris Agreement on climate change and wish to play a major role in shaping the development of CO₂-neutral transportation. To make this possible, we are focusing on two technologies: batteries and hydrogen-powered fuel cells. Our Group has more than 25 years of experience with fuel cells. Thanks to this experience, we want to offer our customers a truck for flexible and demanding applications that can compare with diesel-powered ones as regards traction, range and performance. Exactly which solution a customer will use will depend on the case in question. To this end, we are planning to achieve the following product milestones: By 2022, we want our vehicle

Daimler Trucks & Buses strategy 2030

Add value for customers



portfolio to include series-produced trucks and buses with battery-electric drive systems in the main sales regions Europe, the United States and Japan. In the second half of the 2020s, we will supplement our portfolio of series-produced vehicles by adding fuel cell-powered electric trucks.

Daimler Buses is already making an important contribution to accelerating the mobility revolution in urban passenger transportation and thus making cities more livable. The clear objective here is to ensure sustainable CO₂-neutral public passenger transport. Our Mercedes-Benz eCitaro city bus was put into mass production in 2018 and it has also been offered with a solid-state battery since 2020. Due to its greater range, this bus can easily serve most of the usual urban routes. In addition, the solid-state batteries have a long service life and do not contain cobalt or manganese.

We also have a clear vision with regard to traffic safety: accident-free driving. We will achieve this by means of our safety assistance systems, which help drivers perform their tasks and can thereby protect all road users. We want to see important systems such as the fully integrated Mercedes-Benz Sideguard Assist S1R for retrofitting heavy-duty trucks in as many vehicles on the road as possible. In 2020, we therefore began to offer this system as a retrofit solution for many of the common models of the Actros, Arocs and Econic of model year 2017 and later. Moreover, we are continuously enhancing existing systems. Active Sideguard Assist no longer just warns the driver of cyclists and pedestrians standing or moving alongside the front-passenger side of the vehicle, but also initiates automatic braking at turning speeds of up to 20 km/h in order to bring the vehicle to a standstill if the driver fails to respond to the acoustic alert. Mercedes-Benz Trucks is the world's first truck manufacturer to offer such a system. We are also a pioneer at our bus brands Mercedes-Benz and Setra, making us the first manufacturer to offer such systems as the turning assistant Sideguard Assist (including pedestrian detection) and Preventive Brake Assist.

We are also developing completely new business models for Daimler Trucks when it comes to autonomous driving. In doing so, we are pursuing our dual strategy by working together with two strong partners in order to offer customers the best possible integrated fully automated SAE Level 4 solutions. To this end, Torc Robotics became part of the Autonomous Technology Group at Daimler Trucks in September 2019. With Torc, we are focusing on the development of our own SAE Level 4 solution for operations between two logistics centers (hub-to-hub operations). As part of the partnership with Waymo we are developing a variant of the Freightliner Cascadia truck model that is especially designed for the Level 4 operation of Waymo technology. This variant will first hit the road in the United States. North America provides ideal conditions for the testing and subsequent use of highly automated trucks (SAE Level 4).

Focus on core business

We know what provides our customers with added value. We are correspondingly prioritizing the topics into which our engineering abilities and financial resources are flowing. Besides customer utility, whether an existing or new product or service makes a positive long-term contribution to our earnings is another decision criterion.

Lean organization

We need a powerful organization that enables us to implement our strategy as effectively as possible. For this reason, we promote personal responsibility, initiative, agile thinking and efficient action. Moreover, we are continuously optimizing our processes and structures, for example by increasingly exploiting the possibilities of digitalization. The improvement of our cost structures is another one of our continuous tasks.

People and culture

We can only achieve our goals if we work together successfully. The basis for this is formed by our shared values, such as trust and integrity, as well as shared principles such as the way we operate. We listen carefully to our customers and want to understand them, because this is the only way we can develop technologies that really solve problems. We also know that we will reach our goal faster if we pull together. We don't just pay lip service to the concept of team work, as it is a part of our daily life. We learn from one another and work together to develop new technologies for multiple brands and sectors.

Partnerships

We're proud of the things that we've achieved as a company over the past several years and decades. Looking forward, the transformation of our sector, our products and our company requires a substantial input in terms of resources. For this reason we are expressly open to strategically beneficial partnerships. By working together with a suitable partner, we can achieve more in less time, especially when it comes to new technologies. We want to continue forging ahead with the electrification of commercial vehicles by means of the strategic partnership with the American company Proterra Inc. Another good example of this is the fuel-cell partnership that we have agreed upon with the Volvo Group. Its goal is to fully develop, produce and market fuel-cell systems. The focus is on use in heavy-duty trucks; the systems will also be offered for other applications. Daimler Truck AG plans to consolidate all of its current fuel-cell activities, which are combined in Daimler Truck Fuel Cell GmbH & Co. KG, in the new joint venture.

We have recently increased our strength in the area of highly automated driving (SAE Level 4) by means of a partnership with Waymo in the United States in addition to the purchase of a majority holding in Torc Robotics.

The cooperation with Luminar Technologies, Inc., a leading supplier of lidar hardware and software technology, is a further milestone.

In order to strengthen its market position in China, Daimler Trucks plans to produce heavy-duty semitrailer trucks in China in the future and tailor them to the requirements of Chinese customers. These trucks will be produced with the Chinese partner Beiqi Foton Motor Co., Ltd. in the context of the joint venture Beijing Foton Daimler Automotive (BFDA).

At Daimler Buses we are working together with companies such as IVU Traffic Technologies AG to offer digital services in the area of electric mobility.

We want our strategy to successfully shape the transformation of our sector and strengthen the competitiveness of our company.